

UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK

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In re	:
	:
NORTH GENERAL SERVICE CORPORATION,	:
	:
Debtor	:
	:
-----X	
In re	:
	:
NORTH GENERAL HOSPITAL,	:
	:
Debtor.	:
-----X	
In re	:
	:
NORTH GENERAL DIAGNOSTIC AND	:
TREATMENT CENTER,	:
	:
Debtor.	:
-----X	

Chapter 11  
Case No. 10-13558 (SCC)

Chapter 11  
Case No. 10-13553 (SCC)

Chapter 11  
Case No. 10-13559 (SCC)

**INTERIM ORDER PURSUANT TO SECTIONS 105(a), 363, AND 1108 OF  
THE BANKRUPTCY CODE (I) AUTHORIZING THE DEBTORS TO  
CONTINUE THE IMPLEMENTATION, IN ACCORDANCE WITH  
NEW YORK STATE LAW, OF A PLAN OF CLOSURE FOR THE DEBTORS’  
HOSPITAL AND CERTAIN AFFILIATED OUTPATIENT  
CLINICS AND PRACTICES AND (II) SCHEDULING A FINAL HEARING**

Upon the motion (the “Motion”)<sup>1</sup> of North General Service Corporation (“Corporation”), North General Hospital (“North General”) and the North General Diagnostic Treatment Center (“D&TC”), as debtors and debtors-in-possession (together, the “Debtors”) in the above-referenced Chapter 11 cases (the “Chapter 11 Cases”) for entry of interim and final orders,

<sup>1</sup> Capitalized terms used but not defined herein shall have the same meanings ascribed to them in the Motion.

pursuant to sections 105(a), 363, and 1108 of the Bankruptcy Code, (i) authorizing the Debtors to continue the implementation, in accordance with New York State law and in coordination with the New York State Department of Health (“DOH”), of a plan of closure (the “Closure Plan”) for the Debtors’ hospital and certain affiliated outpatient clinics and practices and (ii) scheduling a final hearing on the Motion; and the Court having subject matter jurisdiction to consider the Motion and the relief requested therein pursuant to 28 U.S.C. § 1334 and the Standing Order of Referral of Cases to Bankruptcy Court Judges of the District Court for the Southern District of New York, dated July 19, 1984 (Ward, Acting C.J.); and the Motion being a core proceeding under 28 U.S.C. § 157(b); and venue being proper before the Court pursuant to 28 U.S.C. §§ 1408 and 1409; and due and proper notice of the Motion having been provided to (a) the Office of the United States Trustee; (b) the Debtors’ thirty (30) largest unsecured creditors on a consolidated basis; (c) the Debtors’ six (6) largest secured creditors on a consolidated basis; (d) counsel for the Debtors’ proposed post-petition lender; (e) the Office of the United States Attorney; (f) the Dormitory Authority of the State of New York; (g) the Office of New York State Attorney General; (h) the New York State Department of Health; (i) the Internal Revenue Service; (j) the Department of Law, City of New York; and (k) all those who have entered an appearance in this case pursuant to Bankruptcy Rule 2002; and no other or further notice need be provided; and the relief requested in the Motion being in the best interests of the Debtors and their estates and creditors; and the Court having determined that the legal and factual bases set forth in the Motion establish just cause for the relief granted herein; and upon all of the proceedings had before the Court; and after due deliberation and sufficient cause appearing therefor,

IT IS HEREBY ORDERED THAT:

1. The Motion is granted on an interim basis to the extent provided herein.
2. The Debtors are hereby authorized and empowered, in coordination with the DOH, other regulatory agencies, and pursuant to applicable law, to take all actions necessary to complete the implementation of the Closure Plan.
3. The Debtors are hereby authorized to continue to transfer and discharge patients, transfer and store medical records, dispose of pharmaceuticals and inventory, dispose of medical waste and hazardous materials, and cease operations at the Hospital and associated clinics and practices in accordance with the proposed Closure Plan.
4. This Court retains jurisdiction with respect to all matters arising from or related to the implementation of this Interim Order.
5. The terms and conditions of this Interim Order shall be immediately effective and enforceable upon its entry pursuant to Bankruptcy Rule 6004(h).
6. The requirements set forth in Bankruptcy Rule 6004(a) are hereby waived.
7. The final hearing to consider entry of a final order granting the relief requested in the Motion on a final basis shall be held on **August 2, 2010 at 10:00am** Eastern Time; and any objections to entry of such order shall be in writing, filed with the Court (with a copy to Chambers) in accordance with General Order M-242, and served upon (a) proposed counsel to the Debtors, Windels Marx Lane & Mittendorf, LLP, 156 West 56<sup>th</sup> Street, New York, New York 10019, Attn: Charles E. Simpson, Esq.; (b) the Office of the United States Trustee for the Southern District of New York, 33 Whitehall Street, 21st Floor, New York, New York 10004, Attn: Andy Velez-Rivera, Esq.; (c) counsel for the Debtors' proposed postpetition lender; (d) counsel for any statutory committee appointed in these Chapter 11 Cases; and (e) any party

filing a notice of appearance and request for service of papers in each case so as to be received no later than **12:00pm**, on **July 26, 2010**.

Dated: New York, New York  
July **8th**, 2010

**/s/ Shelley C. Chapman**  
UNITED STATES BANKRUPTCY JUDGE